

**DEPARTMENT OF THE NAVY
HUMAN RESOURCES SERVICE CENTER NORTHEAST**

EMPLOYEE BENEFITS UPDATE 03-03

**SUBJECT: The Federal Flexible Spending Account Program (FSAFEDS)
 Updated Open Season Information:
 Open Season Extended Through June 27, 2003**

DATE: June 17, 2003

The FSAFEDS Program will begin accepting enrollments to participate in a health care flexible spending account (FSA) and/or a dependent care FSA beginning June 16, 2003. **The Open Season has been extended until June 27.**

There are several updates to the FSAFEDS web site that you should review prior to deciding if you want to enroll. These include:

- Detailed information on eligible expenses under a HCFSAs.
- A Qualified Status Change (QSC) Guide, which explains the events that may allow you to change your election during the plan year.
- Many new FAQs.

Employees who wish to make an election to participate in a health care FSA and/or dependent care FSA have two options to complete an enrollment:

1. Online via the www.FSAFEDS.com web site.
 Click on the link for enrollment. Carefully read the opening page. You should have your most recent leave and earnings statement available (if necessary) to complete the enrollment, or
2. Call the toll-free number 1-877-FSAFEDS (372-3337). A Benefit Counselor will complete the enrollment for you.

You must provide your social security number to complete an enrollment. This number will only be used to ensure that your prorated allotments are correctly deducted. As you enroll, you will have the option to elect an alternate ID to be used when accessing your account.

Since the Dept. of the Navy is serviced by the DFAS, your FSA effective date will be September 1 because this is the first month in which our servicing payroll office is prepared to execute FSA allotments. If there is any change to this timeframe we will notify you via another Employee Benefits Update. **All employees who wish to participate during calendar year 2003 must enroll by June 27, 2003.**

FSA Administrative Fees

The FSAFEDS Program will charge fees to cover the administrative costs of the program. The fees are \$4 per participant per month for a health care FSA and 1.5% of the annual allotment for a dependent care FSA. OPM has concluded that an agency may have the authority to pay for these fees on behalf of its employees. Our agency is in the process of determining whether we will be covering administrative fees for you. As soon as we have made a decision, we will let you know.